

**Canada and Dominion Sugar Company Limited**

**AR47**

**Annual Report  
for the year ended  
September 30,  
1967**





DEC 20 1967

## Directors

HON. LOUIS P. BEAUBIEN, Montreal  
Director, The Empire Life Insurance Company

G. E. ELLSWORTH, Toronto  
President, The Toronto Iron Works, Limited

JAMES M. FERGUSON, San Francisco  
President, Pacific Molasses Company

HON. G. B. FOSTER, Q.C., Montreal  
Senior Partner,  
Foster, Watt, Leggat, Colby, Rioux and Malcolm

SIR IAN D. LYLE, London, England  
President, Tate & Lyle Limited

M. D. OLIPHANT, Liverpool, England  
Director, Tate & Lyle, Limited

J. PEMBROKE, Montreal  
Chairman, The Royal Trust Company

W. H. PUNCHARD, Montreal  
Vice-President,  
Canada and Dominion Sugar Company Limited

SIR PETER F. RUNGE, London, England  
Vice-Chairman, Tate & Lyle, Limited

W. W. SPRAGUE, Jr., Savannah, Georgia  
Vice-President,  
Savannah Sugar Refining Corp.

H. S. TATE, Montreal  
Managing Director,  
Canada and Dominion Sugar Company Limited

J. O. WHITMEE, London, England  
President,  
Canada and Dominion Sugar Company Limited

## Officers

HON. G. B. FOSTER, Q.C.,  
Chairman

J. O. WHITMEE,  
President

H. S. TATE,  
Managing Director

W. H. PUNCHARD,  
Vice-President

R. R. PORTEOUS,  
Vice-President

M. W. DAVIDSON,  
Vice-President

G. E. HRUDKA,  
Vice-President

J. H. MAGEE,  
Vice-President

F. N. WILSON, C.A.,  
Vice-President and Treasurer

N. M. SHAW,  
Vice-President

R. G. BROWNRIDGE, C.A.,  
Asst. Treasurer

J. E. WOOD,  
Secretary

## Shareholders' Annual Meetings

It has been the practice to hold the annual meeting each year in December, but it is now considered that it will be desirable in the future to hold such meetings in January. To comply with the Canada Corporations Act in effecting this change, the accompanying notice of annual meetings is for two annual meetings, one to be held on December 28, 1967 at the Company's Montreal office and one on January 25, 1968 at 11:30 a.m. E.S.T. in the Salon Viger of the Château Champlain, Montreal. Following this latter meeting a buffet luncheon will be served.

Front cover

"People, our most important asset . . ."  
George Simpson, a packaging superintendent at the  
Montreal Redpath refinery.

# Report of the Board of Directors to the Shareholders

Your Directors have pleasure in submitting financial statements and their report of the activities of the Company for the year ended September 30th, 1967.

## Financial Results

Net income increased from \$3,355,812 in 1966 to \$3,591,728 in 1967, a gain of 7%, thus attaining the highest earnings in your Company's history. Earnings per share rose from \$2.17 last year to \$2.32 this year with no change in the number of shares outstanding. Considering the keenness of the competitive situation and economic conditions, your Directors consider this to be a most satisfactory result.

Sales volume was slightly higher than last year although this is not reflected in the value of sales which shows a decline from the previous period. In the Canadian sugar industry, the sales value of refined sugar is almost directly correlated with the price of raw sugar which is purchased on the world raw sugar market, a market noted for its price fluctuations. These fluctuations make year-to-year comparison of sales income meaningless.

Low refined sugar prices resulting from low raw sugar prices continue to plague the beet sugar division of the Company. Due to technical improvements and a very efficient operation, results were better this year than last and a small profit was realized.

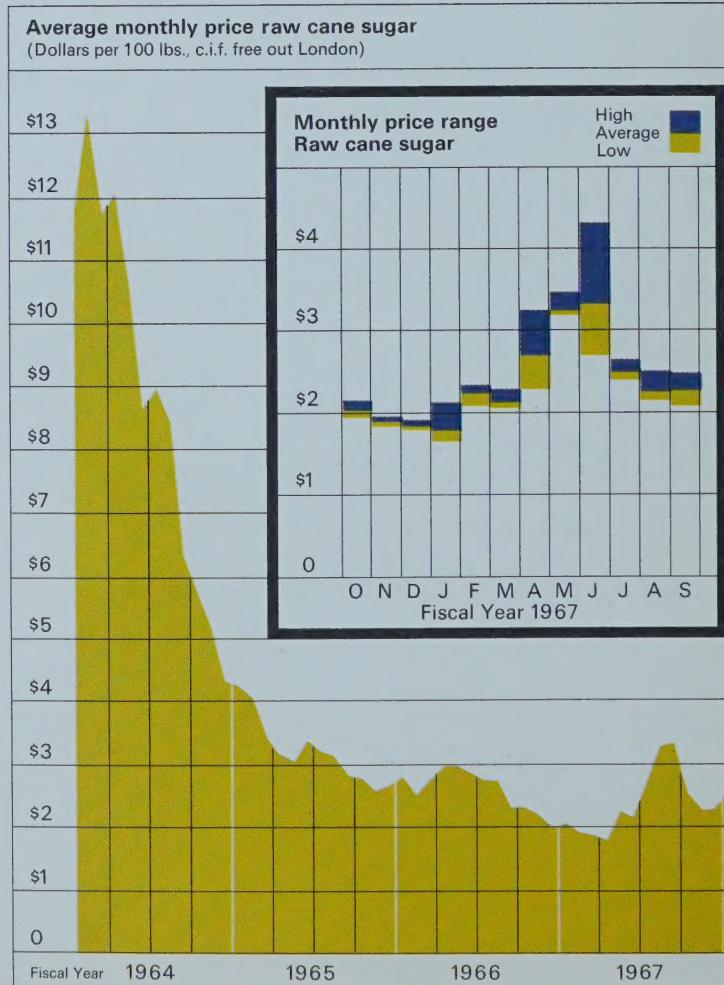
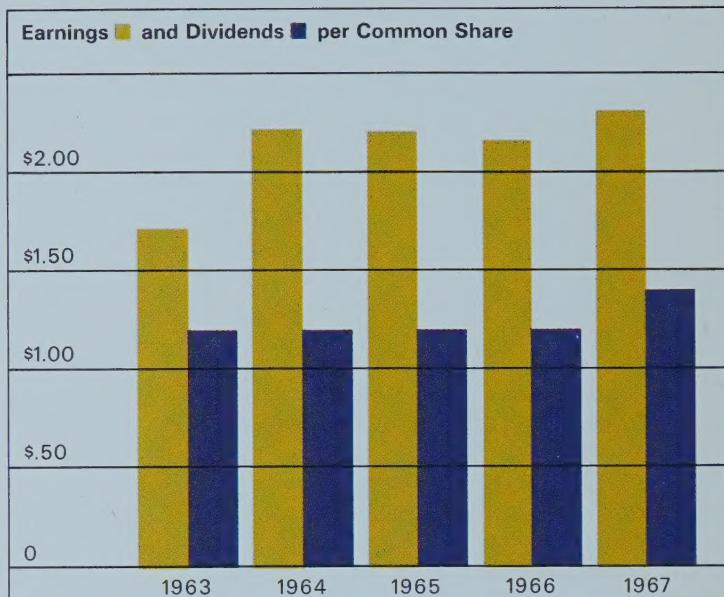
The Company retained a strong working capital position despite substantial transfers from short to longer term investments. At the end of the year working capital stood at approximately \$17,000,000. It was not necessary to obtain outside financing for the purchase of the Daymond group of companies which took place shortly after the end of the fiscal year.

Additions to plant and equipment amounted to \$1,126,032 this year compared with \$1,337,429 in the previous year. Plans for the coming year call for capital expenditures of approximately \$1,000,000.

The basis of valuation of inventories adopted for accounting purposes differs from the basis acceptable for tax purposes. In addition, the Company claims capital cost allowances for tax purposes in amounts differing from depreciation recorded in the accounts. As a result of these differences, income taxes payable in respect of this year are in excess of taxes computed with reference to reported income. Accordingly this excess has been charged against "tax reductions applicable to future years", which has been accumulated during those periods when income taxes payable were less than the amounts provided through the income statement.

## Dividends

Dividends of \$1.40 per share were distributed to shareholders during the year in equal quarterly instalments, compared with the previous rate of \$1.20. It is anticipated that this higher level will be maintained.



## **Raw Cane Sugar**

At September 30th, 1966, the London Daily Price was £15/10/- per long ton C.I.F. London. Under pressure of unsold surpluses, prices continued to decline until the London Daily Price reached a low of £12/5/- on January 9th, 1967. The war in the Middle East provided a temporary stimulus and the market reached £32 but held this level only for a short period. When active fighting stopped, values declined rapidly to the levels held before the crisis. The statistical situation has improved somewhat and the London Daily Price at the end of the fiscal year stood at £18.

A better balance between supply and demand is expected during 1968 and it is likely that this will lead to an increase in price. In the light of this possibility, it is hoped that the continuing efforts to bring about an effective International Sugar Agreement may produce more tangible results in 1968. Preliminary discussions were held during October to prepare the ground for full scale negotiations tentatively scheduled for April of next year. An International Sugar Agreement would be welcomed by your Company. It is universally recognized that widely fluctuating sugar markets are in the long run harmful to all concerned. It must, however, be recognized that sacrifices will have to be accepted by all participating countries. The principal difficulty lies in deciding what restrictions will be necessary and the extent of each country's individual contribution.

## **Marketing**

The sales of refined sugar rose at a rate slightly higher than that which might be expected from the normal increase in population in Canada. Part of this rise in consumption is due to increased exports of sugar-containing foods. Canadian food processors are able to buy refined sugar at prices related to the world raw sugar market; thus they have been able in recent years to enjoy high quality sugar at relatively low cost giving them advantages in export markets.

The Company's sales in 1967 were higher than in the previous year but slightly below expectation. Competition continues to be extremely keen in both domestic and export markets. The outlook in 1968 is for a normal increase in the Canadian market and your Company confidently expects to obtain a reasonable share.

## **Labour**

New contracts were negotiated with the union in Montreal and with the Chemical Workers' Union in Toronto. Unfortunately a short strike preceded the signing of the contract with the Bakery & Confectionery Union in Montreal.

## **Redpath Cane Refining Operations**

Since January 1967, Montreal refinery operations have been limited to two, instead of three, shifts per day, reflecting the overcapacity which exists in the industry. An increase in efficiency was gained by this changed method of operation

but the savings made have been less than the substantial increase in the cost of labour and the new contracts, which run for two years, provide for further increases in the second year. Toronto refinery continues to operate at maximum rate on three shifts.

Condenser water cooling towers have been successfully completed at Montreal refinery and, for the first time in its 113 year history, the refinery will be able to operate throughout the winter, giving considerably improved inventory control and providing steady employment.

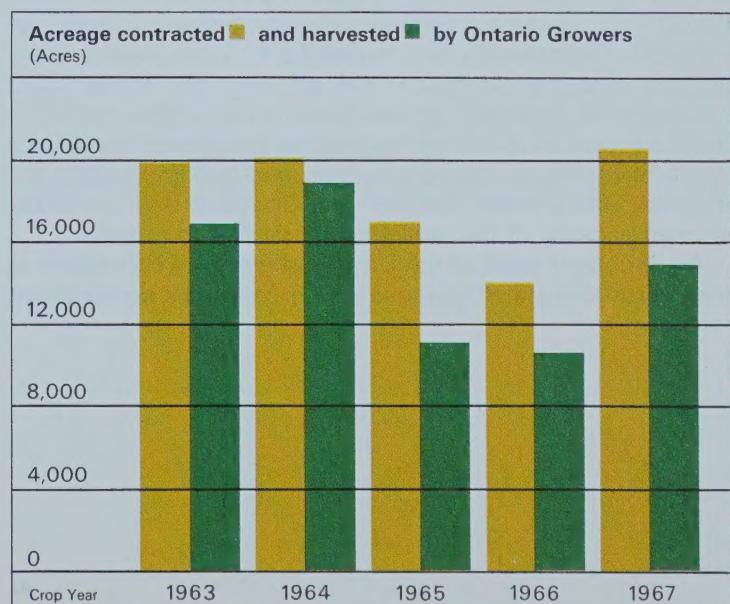
A new process for the production of soft yellow sugar was introduced in August. This process was conceived and developed by the Company's technical staff and is proving a great success.

Both cane refineries are highly efficient units and operating costs have been reduced by the employment of the most modern techniques. It is only with difficulty, however, that technical improvements can be found which offer economies sufficient to stem the tide of rising cost.

## **Dominion Crystal Beet Sugar Operations**

The crop harvested in the autumn of 1966 yielded an average of 18.1 tons per acre with an average sugar content of 16.4%. This gave a yield of 6000 lbs. of sugar per acre, only very slightly below the record yield from the 1965 crop.

At the last Annual General Meeting, shareholders were advised that the Government had reduced the amount of deficiency payment available to the growers for the 1966 crop. Coupled with low sugar prices, this reduced the return per standard ton of beets. Higher sugar content and excellent extraction, as well as increased prices for by-products, offset this reduction so that the revenue for the grower remained about the same as that from the 1965 crop.



The Company has consistently said that in order to have a satisfactory operation at Chatham, the plant must be operated at capacity and that this requires at least 20,000 acres to be contracted.

In January, the Company announced that it could not operate Chatham in 1967 unless 20,000 acres were contracted by March 31st. In February, the Minister of Agriculture announced a program for the sugar beet industry in 1967 which increased the national support level and included an additional stabilizing feature which, it is confidently expected, will mean a return to growers in Eastern Canada of approximately \$15.00 per standard ton of sugar beet. By the end of March, 1000 growers had contracted 20,484 acres. Unfortunately one of the worst planting seasons for many years left a considerable portion of this acreage unplanted and only slightly less than 15,000 acres of beets will be harvested. Estimates of the crop indicate that the yield of beets per acre will exceed the previous year but that the sugar content will be somewhat lower. The Ontario Sugar Beet Growers' Association and Company agricultural staff are optimistic that if the Government supports sugar beet prices at a level not less than that announced for 1967, the necessary acreage will be forthcoming in 1968.

Though no major improvements were made in factory equipment this year, the Chatham plant continues to operate as efficiently as any in North America. Coupled with the increased acreage of the 1967 crop, this should produce an increase in profit from the beet division. However, the increase will only be modest, and the Company must be sure of at least 20,000 contracted acres to operate the Chatham plant in 1968.

#### Expansion

A year ago your Directors said : "It is clear that an acceleration of growth of the Company can best be achieved by looking outside the immediate business of sugar refining". Upon the successful conclusion of negotiations, shareholders were advised that the Company had acquired the entire share capital of the Daymond group of companies whose activities are the supply of plastic and aluminum extrusions, mouldings and fabrications to the construction and building supply industries. This is a new field for your Company and one it has entered because of the prospects for profit and growth.

An important asset of the Daymond group of companies is their resourceful management which combines competence

in a fast developing technology with imaginative marketing. The head office is located in Chatham, Ontario, near to C. & D.'s beet sugar plant.

Significant investments have also been made in companies located outside Canada. The operations of these companies are complementary to those of C. & D. They own ships designed for the handling of bulk cargoes, including sugar, and operate as raw sugar brokers. Income from these investments made a substantial contribution to net income for the year.

#### Kennedy Round of Negotiations

Sugar itself was not one of the items considered in the negotiations. However, many products made by our industrial customers will enjoy some advantage, particularly in competition for the U.S. market. The new Anti-Dumping Code to be adopted in 1968 could lead to increased price competition from imported refined sugar. Representation has been made to Ottawa that the Code should be tailored to the peculiarities of the Canadian market.

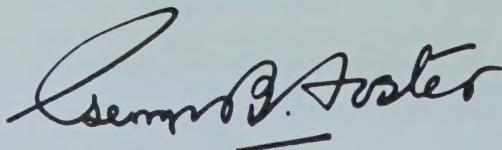
#### Directors and Officers

The Board of Directors remains unchanged. Mr. E. J. Faust relinquished his duties as Vice-President in charge of Sales on August 31st, 1967 after 36 years of valuable service with the Company. Mr. N. M. Shaw assumed responsibility for all the marketing activities of the Company on September 1st, 1967 and was appointed a Vice-President of the Company. Mr. Shaw has been with the Company for 13 years, during which time he has gained a wide range of experience, including three years as Export Sales Manager for Tate and Lyle Refineries in London.

#### Appreciation

The Directors wish to thank all the employees of the Company for their loyalty and hard work during the year and extend to them their best wishes for the future.

On behalf of the Board,



Chairman

## Statements of Consolidated Income and Retained Earnings

year ended September 30, 1967  
(with comparative figures for 1966)

	1967	1966
<b>Income</b>		
Sales and other income		
Sales	<b>\$45,631,022</b>	\$46,947,524
Investment income (including \$1,070,823 dividend from affiliated company)	1,532,321	470,185
	<b>47,163,343</b>	47,417,709
Deduct		
Cost of goods sold	33,831,148	34,208,959
Selling, distribution and administrative expenses	6,453,732	6,013,749
Interest on debentures	236,735	239,189
	<b>40,521,615</b>	40,461,897
Profit before income taxes — note 1	6,641,728	6,955,812
Income taxes	3,050,000	3,600,000
Net income	<b>\$ 3,591,728</b>	\$ 3,355,812
<b>Retained earnings</b>		
Balance, beginning of year	\$16,012,443	\$14,516,631
Add net income	3,591,728	3,355,812
	<b>19,604,171</b>	17,872,443
Deduct dividends paid	2,170,000	1,860,000
Balance, end of year	<b>\$17,434,171</b>	\$16,012,443

The annexed notes form part of these statements.

## Consolidated Balance Sheet

September 30, 1967  
(with comparative figures for 1966)

	1967	1966
<b>Assets</b>		
Current		
Cash	\$ 352,520	\$ 229,823
Temporary investments — at cost which approximates market value	<b>6,894,523</b>	<b>11,024,779</b>
Accounts receivable (including affiliated companies \$534,685), less allowance for doubtful accounts	<b>5,382,836</b>	<b>3,871,373</b>
Inventories —		
Sugar — note 2	<b>10,493,306</b>	<b>10,338,060</b>
Supplies — at lower of cost or replacement value	<b>1,558,257</b>	<b>1,554,332</b>
Prepaid expenses	<b>625,685</b>	<b>650,868</b>
Total current assets	<b>25,307,127</b>	<b>27,669,235</b>
Investments — note 3	<b>6,425,705</b>	<b>440,801</b>
Fixed		
Land, buildings, plant and equipment — note 4	<b>57,131,661</b>	<b>56,790,637</b>
Less accumulated depreciation	<b>25,813,425</b>	<b>24,686,374</b>
	<b>31,318,236</b>	<b>32,104,263</b>
	<b>\$63,051,068</b>	<b>\$60,214,299</b>

On behalf of the Board :  
G. B. Foster, Director  
H. S. Tate, Director

	1967	1966
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued charges (including affiliated company \$3,154,049)	\$ 6,405,794	\$ 5,404,462
Income taxes payable	<u>1,997,355</u>	<u>1,042,646</u>
Total current liabilities	<b>8,403,149</b>	<b>6,447,108</b>
 Tax reductions applicable to future years	 <b>8,500,000</b>	 <b>9,000,000</b>
 5% Sinking fund debentures — due July 15, 1978 (debentures totalling \$874,000 have been purchased and cancelled in advance of sinking fund requirements)	 <b>4,700,000</b>	 <b>4,741,000</b>
 <b>Shareholders' equity</b>		
Capital — Authorized : 3,000,000 shares of no par value		
Issued : 1,550,000 shares	14,800,000	14,800,000
Increment arising from revaluation of fixed assets	8,213,748	8,213,748
Distributable surplus set aside on organization of company	1,000,000	1,000,000
Retained earnings	<u>17,434,171</u>	<u>16,012,443</u>
	 <b>41,447,919</b>	 <b>40,026,191</b>
	 <b>\$63,051,068</b>	 <b>\$60,214,299</b>

The annexed notes form part of these statements.

## Statement of Consolidated Source and Use of Funds

year ended September 30, 1967  
(with comparative figures for 1966)

	1967	1966
<b>Source of funds</b>		
Operations —		
Net income for the year	\$3,591,728	\$3,355,812
Depreciation	1,571,199	1,481,683
Provision for income taxes payable in future years	(500,000)	1,250,000
	<hr/>	<hr/>
Disposal of fixed assets	4,662,927	6,087,495
	340,859	149,156
	<hr/>	<hr/>
	<b>\$5,003,786</b>	<b>\$6,236,651</b>
<b>Use of funds</b>		
Additions to buildings, plant and equipment	\$1,126,032	\$1,373,429
Payment of dividends	2,170,000	1,860,000
Retirement of debentures	41,000	175,000
Investment in affiliated companies	5,776,510	
Acquisition of other investments	208,393	37,892
	<hr/>	<hr/>
Increase (decrease) in working capital	9,321,935	3,446,321
	(4,318,149)	2,790,330
	<hr/>	<hr/>
	<b>\$5,003,786</b>	<b>\$6,236,651</b>

## Notes to Consolidated Financial Statements, September 30, 1967

1. Depreciation of \$1,571,199 and remuneration of \$326,813 to directors and senior officers have been deducted in determining profit before income taxes.
2. A fixed tonnage of raw sugar equivalent is valued at a basic price per ton and the remaining inventories of sugar are valued at the lower of cost or market. The value at which the fixed tonnage is carried exceeded market value at September 30, 1967 by approximately \$435,000.
3. Investments comprise:

Shares in affiliated companies at cost which approximates the underlying equity	\$5,776,510
Refundable 5% corporation tax	215,165
Mortgages, notes and other items — at the lower of cost or estimated realizable value	434,030
	<hr/>
	<b>\$6,425,705</b>

4. Fixed assets are stated at replacement cost at October 1, 1961, as determined by Canadian Appraisal Company Limited, with subsequent additions at cost.
5. An agreement to acquire the Daymond group of companies was entered into prior to September 30, 1967, and was consummated October 17, 1967. This commitment, together with capital expenditure commitments, amounts to approximately \$4,600,000.
6. Contingent liabilities under letters of credit amount to approximately \$500,000.

## Auditors' Report to the Shareholders

We have examined the consolidated balance sheet of Canada and Dominion Sugar Company Limited and its subsidiaries as at September 30, 1967 and the related statements of consolidated income and retained earnings and source and use of funds for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at September 30, 1967 and the results of their operations and the source and use of their funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Montreal, Canada,  
November 3, 1967.

CLARKSON, GORDON & CO.  
Chartered Accountants

Five Year Review	1967	1966	1965	1964	1963
<b>Income</b>					
Profit before taxes on income	\$ 6,641,728	\$ 6,955,812	\$ 6,970,449	\$ 7,033,636	\$ 4,569,089
Taxes on income	3,050,000	3,600,000	3,550,000	3,600,000	1,900,000
Net income for the year	3,591,728	3,355,812	3,420,449	3,433,636	2,669,089
Per share	2.32	2.17	2.21	2.22	1.72
Dividends paid	2,170,000	1,860,000	1,860,000	1,860,000	1,860,000
Per share	1.40	1.20	1.20	1.20	1.20
<b>Financial Position</b>					
Working capital	16,903,978	21,222,127	18,431,797	17,538,507	13,492,740
Land, buildings, plant and equipment	57,131,661	56,790,637	57,959,937	55,922,872	57,935,753
Accumulated depreciation	25,813,425	24,686,374	25,598,264	24,774,638	27,926,929
Tax reductions applicable to future years	8,500,000	9,000,000	7,750,000	6,400,000	2,800,000
Funded debt	4,700,000	4,741,000	4,916,000	5,585,000	5,711,000
Shareholders' equity	41,447,919	40,026,191	38,530,379	36,969,930	35,396,294
Per share	26.74	25.82	24.86	23.85	22.84

# People, our most important asset

Bob Montgomery  
Agricultural fieldman  
Chatham factory



Mac Robinson  
Beet end foreman  
Chatham factory



John Kuzmicz  
Char house foreman  
Toronto refinery



Gabrielle Auger  
Packaging operator  
Montreal refinery



Bud Wright  
Control room operator  
Chatham factory



Bill Miller  
Refinery personnel manager  
Montreal refinery

Cornelius Healy  
Sugar boiler  
Montreal refinery



Heinz Busche  
Centrifugal mechanic  
Toronto refinery



Tom McQuade  
Control room operator  
Toronto refinery



Jim Giamatelo  
Liquid sugar tanker driver  
Toronto refinery



Ian Anderson  
IBM supervisor  
Montreal office



Gary Denenfeld  
Research analyst  
Montreal refinery

# The Daymond Company Limited



Shareholders were advised in mid-October that Canada and Dominion Sugar Company Limited had acquired all the outstanding shares of The Daymond Company Limited and its affiliates.

#### *Historical note*

The Daymond organization dates back to 1939 when Mr. F. R. Daymond formed the Federal Equipment Company. In 1946 it was incorporated as the Daymond Company Limited and production was centered on extrusion and fabrication of aluminum and plastic products. To keep pace with the growing demand for its products in Canada and overseas, the Company expanded its facilities several times, until now, there are three major plants, two in Chatham, Ontario, one in Toronto and an assembly plant in Vancouver.

#### *Aluminum*

Daymond offers 4-way facilities to its industrial customers — designing, extruding, fabricating and finishing. These "under one roof" facilities permit Daymond to provide total responsibility in every phase of production, from blue print to the finished product.

#### *Plastics*

Another unique Daymond service is the plastic extrusion and

injection moulding production, executed in the same establishment. Up-to-date equipment and techniques assure uninterrupted production under the most economical and accurate dimensional control. Many forms of thermal plastic materials enter Daymond products, providing customers with plastic parts ready for assembly.

#### *Combined aluminum and plastic extrusions*

Within the framework of extrusion technology, Daymond has specialized in both plastic and aluminum . . . a unique integration in Canadian industry and an important feature in assuring compatible tolerance control where aluminum and plastic are used together.

Over the years related auxiliary production facilities were added including aluminum anodizing, applied protective coating, finished parts fabrication and plastic injection moulding.

#### *Building products*

Daymond and its affiliated companies fabricate a wide variety of building products for both exterior and interior uses. As a matter of interest all the exterior surfaces at "Place Ville Marie" were processed through the anodizing operations at Chatham.

Some of these famous Daymond products are :



Vinyl door sealing system



Aluminum thresholds,  
doorsweeps, weatherstrip



Aluminum siding, soffit  
and fascia



Aluminum mouldings  
for kitchens, recreation  
rooms and bathrooms

Plastic Plant and Head Office Chatham



Styron wall tile



Plastic and aluminum by-passing  
doortrack



Plastic pipes and fittings



A complete line of  
aluminum doors, windows  
and bath enclosures.

Aluminum Plant Chatham





Sine d'aluminio Chatham

Une gamme complète de portes, fenêtres et encadrements de baignoires en aluminium.

L'Uvaux et Raccoards en plastique.

Glissières de démarcation pour portes, en aluminium et en plastique.

Carrefourages muraux en Styrofoam.

Voici quelques-uns des produits Daymond les plus connus :

Dans le cadre des technologies de l'extrusion, Daymond s'est spécialisé à la fois dans les plastiques et dans l'aluminium, spécialement dans une intégration unique en son genre au Canada et permettant ainsi une tolérance appliquée aussi bien à l'aluminium qu'au plastique quand ces deux matériaux sont utilisés ensemble.

À l'heure actuelle, Daymond offre une gamme de deux accessoires, soit vannes s'ajouter, notamment pour l'anodisation de l'aluminium, l'application de revêtements protecteurs, la fabrication de pièces finies et le moulage des plastiques par injection.

Daymond et ses filiales fabriquent de nombreux matériaux de construction, tant pour l'extérieur que pour l'intérieur. Signations notammement que tout l'aluminium de revêtement des façades de la Place Ville-Marie, à Montréal, a été anodisé à usine de Chatham.

en plastique par extrusion ou par moulage par injection, dans une même usine. Un outillage et des techniques très modernes permettent une production intensive dans les conditions plus économiques et avec le plus haut degré de précision. De nombreux formes de matériaux thermoplastiques en- trent dans la fabrication des produits Daymond et la compa- gnie fournit à ses clients des pièces prêtées à monter.

An architectural rendering of a modern, multi-story building with a distinctive curved roofline and large glass windows. The building is set against a backdrop of trees and a clear sky.

#### Sine de plastiques et siège social Chatham

Cuissines, salles de bain.

Moulures en aluminium pour

de toit en aluminium.

rejetteaux en aluminium,  
seuls, entrees de porte,

pour portes.

MIRATRIM



*Madame Mme.*

**DURAFlex**

Une autre spécialité de Daymond est la production d'articles fastidieux

Daymond offre à ses clients industriels quatre genres de services : la conception, l'exténsion, la fabrication et la finition d'assortiment. Ces quatre phases de la production pouvant être effectuées sur place, Daymond est en mesure d'assurer la responsabilité totale de ses produits, depuis la vente jusqu'à la production.

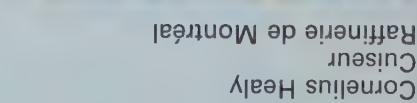
d'assemblage à Vancouver.

Les origines du groupe Daymond remontent à 1939, année où M. F. R. Daymond fonda la Federal Equipment Company. En 1946, cette société fut incorporée sous le nom de The Daymond Company Limited, et elle se spécialisa dans la fabrication et l'extrusion d'articles en plastique et en aluminium. Pour répondre à la demande croissante de ses produits au Canada et dans les pays d'outre-mer, la compagnie possède à plusieurs endroits des installations. Elle procède à plus de 300 000 tonnes d'expéditions par an. Chatham en Ontario, une à Toronto, ainsi qu'une autre à Mississauga.

Les sociétaires ont été nommés à la mi-octobre que la Canada and Dominion Sugar Company Limited avait acheté toutes les actions en circulation de The Diamond Company Limited et de ses filiales.



Cornelius Healy  
Cuiseur de Montréal



Heinz Busche  
Raffinerie de Toronto  
Mécanicien, machines centrifuges



Tom McQuade  
Opérateur, salle de commande  
Raffinerie de Toronto



Jim Giamatteo, Conducteur,  
camion citernes sucre liquide  
Raffinerie de Toronto



Ian Anderson  
Surveillant, centre IBM  
Bureau de Montréal



Gary Denenfeld  
Analyste, travail de recherches  
Raffinerie de Montréal



## Notre personnel, valeur d'importance primordiale

Gabrielle Auger  
Conditiōnneuse  
Raffinerie de Montréal



Bud Wright  
Opérateur de la salle de commande  
Bettaware de Chatham



Bill Miller, Gérant du personnel  
de la raffinerie de Montréal  
Raffinerie de Montréal



Bob Montgomey  
Représenant agricole  
Bettaware de Chatham



Mac Robinson  
Contrôleur de Chatham  
Bettaware de Chatham



John Kuzmics  
Contrôleur, atelier du noir  
Raffinerie de Toronto



Rapport des vérificateurs aux actionnaires					
	1967	1966	1965	1964	1963
Revenus					
Profit avant déduction de l'impôt sur le revenu	\$ 6,641,728	\$ 6,955,812	\$ 6,970,449	\$ 7,033,636	\$ 4,569,089
Impôts sur le revenu	3,050,000	3,600,000	3,550,000	3,600,000	1,900,000
Revenu net de l'exercice	3,591,728	3,355,812	3,420,449	3,433,636	2,669,089
Par action	2.32	2.17	2.21	2.22	1.72
Dividendes versés	2,170,000	1,860,000	1,860,000	1,860,000	1,860,000
Par action	1.40	1.20	1.20	1.20	1.20
Situation financière					
Fonds de roulement	16,903,978	21,222,127	18,431,797	17,538,507	13,492,740
Terains, bâtiments, usines et outillage	57,131,661	56,790,637	57,959,937	55,922,872	57,935,753
Amortissements accumulés	25,813,425	24,686,374	25,598,264	24,774,638	27,926,929
Réductions d'impôts applicables aux années à venir	8,500,000	9,000,000	7,750,000	6,400,000	2,800,000
Dette consolidée	4,700,000	4,741,000	4,916,000	5,585,000	5,711,000
Avoir des actionnaires	41,447,919	40,026,191	38,530,379	36,969,930	35,396,294
Par action	26.74	25.82	24.86	23.85	22.84

Nous avons examiné le bilan consolidé de Canada and Dominion Sugar Company Limited et ses filiales au 30 septembre 1967 et les résultats de leurs opérations ainsi que la source et l'emploi de leurs fonds pour l'année terminée à cette date, conformément aux principes comptables généralement reconnus, appliqués de la même manière qu'au cours de l'année précédente.

À notre avis, ces états financiers consolidés présentent équitablement la situation financière des compagnies au 30 septembre 1967 et les résultats de leurs opérations ainsi que la source et l'emploi de leurs fonds pour l'année terminée à cette date, conformément aux principes comptables généralement reconnus, appliqués de la même manière qu'au cours de l'année précédente.

Notre examen a comporté une revue générale des procédés comptables et tels sondages des livres et pièces comptables et autres preuves à l'appui que nous avons jugées nécessaires dans les circonstances.

Monsieur,桂林, GORDON & CIE  
CLARKSON, GORDON & CIE  
Montréal, Canada,  
le 3 novembre 1967.

6. Le passif éventuel résultant de lettres de crédit s'élève à environ \$500,000.

5. Une entente en vue d'acquérir le groupe des compagnies Daymond a été conclue antérieurement au 30 septembre 1967 et les autres engagements de dépenses en capital s'élèvent à environ \$4,600,000.

4. Les immobilisations sont évaluées à leur coût de remplacement au 1er octobre 1961, tel que déterminé par Canadian Appraisal Company Limited, alors que les additions subséquentes ont été inscrites à leur coût.

3. Des placements se détaillent comme suit:

Actions dans des compagnies affiliées, au coût	\$5,776,510	Impôt spécial remboursable de 5%
équivalent à la valeur de leur actif net sous-jacent	215,165	Hypothèques, billets et autres éléments, au plus bas du coût ou de la valeur estimative de réalisations
équivaut à la valeur de leur actif net sous-jacent	434,030	du plus bas
	\$6,425,705	

2. Un stock d'une quantité fixe en terme de sucre brut est évaluée à un prix de base pour tonne et les autres stocks de sucre sont évalués au montant de \$1,571,199 au titre de l'amortissement et une somme de \$326,813 au titre de la remunération des administrateurs et des dirigeants supérieurs de la compagnie.

1. Dans le calcul du profit avant impôts sur le revenu, on a déduit un gain sur la vente de la participation dans les compagnies affiliées, au 32 octobre 1967. Ces engagements au 30 septembre 1967 et les autres engagements de dépenses en capital s'élèvent à environ \$4,600,000.

6. Le passif éventuel résultant de lettres de crédit s'élève à environ \$500,000.

## Notes sur les états financiers consolidés, 30 septembre 1967

\$5,003,786      \$6,236,651

(4,318,149)      2,790,330

3,321,935      3,446,321

208,393      37,892

5,776,510      175,000

41,000      1,860,000

2,170,000      \$1,373,429

\$1,126,032      \$5,003,786

6,087,495      149,156

4,662,927      340,859

1,571,199      (500,000)

\$3,591,728      \$3,355,812

Augmentation (diminution) du fonds de roulement

Autres investissements  
Rachat de dettes  
Paiements aux immeubles, aux usines et à l'équipement  
Employ des fonds

\$5,003,786      \$6,236,651

6,087,495      149,156

4,662,927      340,859

1,571,199      (500,000)

\$3,591,728      \$3,355,812

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Passif	
Exigibilités	Compêtes à payer et frais courus (dont \$3 154,049 à des compagnies affiliées)
\$ 6,405,794	Impôts sur le revenu à payer Total des exigibilités
1,997,355	Réductions d'impôt applicables aux années à venir
6,447,108	Debentures 5%, à fonds d'amortissement — échéant le 15 juillet 1978 (des débentures pour un montant de \$874,000 ont été achetées et annulées avant l'échéance prévue par le fonds d'amortissement)
4,700,000	Avoir des actionnaires Capital — Autorisé: 3 000 000 actions sans valeur au pair Emis: 1 550 000 actions
14,800,000	Excédent résultant de la réévaluation des immobilisations Surplus distribuable créé lors de l'organisation de la compagnie
8,213,748	17,434,171 1 000 000 8,213,748 14,800,000
14,800,000	16,012,443 1 000 000 8,213,748 14,800,000
41,447,919	40,026,191 17,434,171 1 000 000 8,213,748 14,800,000
\$63,051,068	\$60,214,299

Les notes ci-annexées font partie intégrante des états financiers.

**Bilan consolidé**

(avec chiffres comparatifs pour 1966)

1

et ses filiales

se

1966 1967

1996 1997

Disponibilités Encaisse \$ 229,823 \$ 352,520

Stocks—  
morts provision pour créances douteuses  
5,382,836 3,871,373

Frais payés d'avance — au plus bas du court ou élevé dans le remplacement  
Formulaires — au plus bas du court ou élevé dans le remplacement

Placements — note 3 440,801 6,425,705

Terreins, immeubles, usines et équipement — note 4  
Mains amortissement accumulé  
24,686,374  
25,813,425  
57,131,661  
56,790,637

**\$63,051,068**      **\$60,214,299**

**Etats consolidés des revenus et des bénéfices non répartis**

(avec chiffres comparatifs pour 1966)

1967

1966

Revenus	Ventes et autres revenus	Revenus de placements (y compris un dividende de \$1,070,823 d'une compagnie affiliée)	Gains des marchandises vendues	Intérêts sur les dettes	Profit avant impôts sur le revenu — note 1	Revenu net	Bénéfices non répartis	Solde au début de l'année	Moins dividendes versés	Plus revenu net	Solde à la fin de l'année
\$45,631,022	\$46,947,524	1,532,321	47,163,343	47,417,709	\$ 47,163,343	\$ 3,591,728	\$ 3,355,812	\$14,516,631	\$16,012,443	\$14,516,631	\$17,434,171
6,453,732	6,013,749	236,735	33,831,148	34,208,959	\$ 6,641,728	\$ 6,955,812	\$ 3,050,000	\$16,012,443	\$16,012,443	\$16,012,443	\$17,434,171
40,521,615	40,461,897	239,189	236,735	6,453,732	6,641,728	\$ 6,641,728	\$ 3,050,000	\$16,012,443	\$16,012,443	\$16,012,443	\$17,434,171
34,208,959	34,208,959	239,189	236,735	6,453,732	6,641,728	\$ 6,641,728	\$ 3,050,000	\$16,012,443	\$16,012,443	\$16,012,443	\$17,434,171
40,461,897	40,461,897	239,189	236,735	6,453,732	6,641,728	\$ 6,641,728	\$ 3,050,000	\$16,012,443	\$16,012,443	\$16,012,443	\$17,434,171
\$ 3,355,812	\$ 3,355,812	\$ 3,355,812	\$ 3,355,812	\$ 3,355,812	\$ 3,355,812	\$ 3,355,812	\$ 3,355,812	\$ 3,355,812	\$ 3,355,812	\$ 3,355,812	\$ 3,355,812

Les notes ci-anexées font partie intégrante des états financiers.

Président du conseil

express service

Au nom du conseil

Le conseil d'administration reste sans changement. Le 31 octobre 1967, après 36 ans de précieux services apportés de la compagnie, M. E. J. Faust a abandonné ses fonctions de vice-président chargé des ventes. M. N. Shaw a pris sa place. M. E. J. Faust a été remplacé par M. N. M. Schaw a pris la tête du conseil d'administration le 1er septembre 1967, date à laquelle il a été nommé vice-président la compagnie. Il a été nommé vice-président tout le personnel de la compagnie pour le rôle et la fidélité dont il a fait preuve pendant une vaste expérience depuis 13 ans. Au cours de cette période, il a acquis une grande expérience dans les trois années comme directeur des ventes à l'exportation des raffineries Tate & Lyle, à Londres.

## Rémerciements

Les administrateurs remercient tout le personnel de la compagnie pour le rôle et la fidélité dont il a fait preuve pendant une année, et ils lui offrent leurs meilleures voeux de succès pour l'avenir.

Administrateurs et membres de la direction

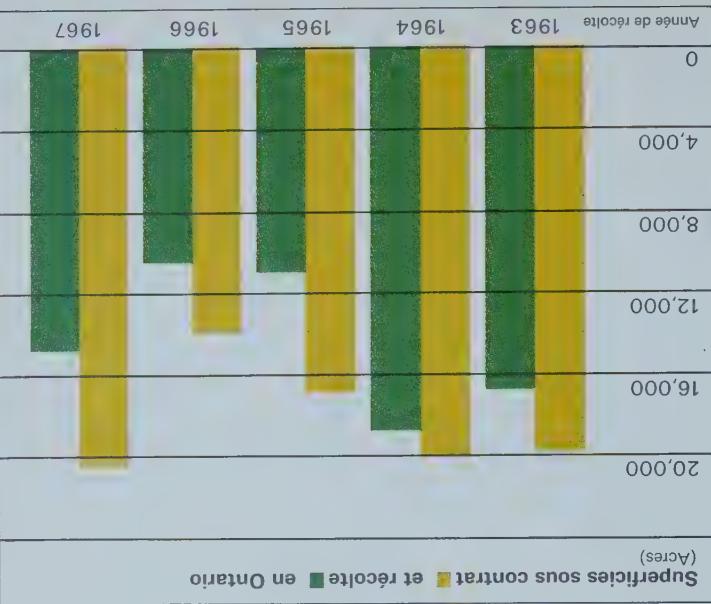
## Négociations du Kennedy Round

La démission, les administrateurs vous ont dit : "Il est évident que le développement de la campagne ne pourra s'améliorer sensiblement que si celle-ci se tourne vers d'autres activités que le raffinage du sucre". Les actions mises en œuvre sont donc le développement des négoциations favorables aux agriculteurs après l'accord sur le capital-actions qui a été atteint au cours de la campagne 1970-71. Les autres activités sont celles qui ont été créées dans le secteur industriel et dans le commerce extérieur. Il s'agit là d'un champ d'activité nouveau pour la compagnie et dans lequel elle s'engage à cause de ses perspectives de développement et de résultats très bons.

## Expansion

Bien que l'usine n'ait bénéficié cette année d'aucune amélioration notable de son utilité, son opération se poursuit avec autant d'efficacité que celle de l'importante usine autrefois utilisée au Nord. Si l'on tient compte d'autre chose que la superficie plus considérable recoltée en 1967, la division betterave de la compagnie plus modeste et la campagne 1968 pour son usine de Chatham.

En juillet, la compagnie a annoncé qu'elle ne pourrait poursuivre ses opérations à Chatham que si elle disposerait de 31 mars, de contrats pour 20,000 acres. En février, le ministre de l'agriculture a annoncé diverses mesures en faveur de l'industrie betteravière, pour 1967, notamment l'augmentation des prix de soutien, plus une clause supplémentaire de stabilité standard de betteraves. À la fin de mars, 1,000 producteurs avaient signé des contrats portant sur 20,484 acres. Malheureusement, les conditions atmosphériques à l'époque des semis ont été parmi les pires du tout connues depuis longtemps et d'importantes superficies n'ont pu être enséchées. La récolte portera sur un peu moins de 15,000 acres. D'après les renseignements dont nous disposons, le rendement en poids à l'acre dépassera celui de l'an dernier, mais le taux du sucre sera quelque peu inférieur. L'Association des producteurs de betteraves de l'Ontario et les agriculteurs ont annoncé pour 1967, nous pourrons comparer celle qui a obtenu à celle à un niveau comparable à celle des prix de la betterave à sucre à un niveau soutenu qui a été atteint dans les campagnes précédentes.



Activités de la division Dominion Crystal

de salariés, et les nouvelles conventions, valables pour deux ans, prévoient d'autres augmentations pour la deuxième année. La raffinerie de Toronto continue à travailler à pleine capacité, avec trois relèves.

Les tours de raffinerie sont de l'eau de condensation, ré-cemment construites à la raffinerie de Montréal, permettant à celle-ci, pour la première fois durant ses 113 années d'exist-ence, de poursuivre ses opérations pendant tout l'hiver, ce qui facilitera considérablement à régulariser ses stocks, et à tenir une cassonade, conçue et mis au point par le personnel des deux raffineries du sucre de canne offrent un rendement remarquable et les techniques modernes qu'elles em-ployent ont permis de réduire les frais d'exploitation. Malgré l'expérience de ses techniques, la compagnie éprouve cepen-dant de grandes difficultés à compenser l'élévation continue des prix de revient.

#### Activités de la division Redpath (sucré de canne)

## Commercialisation

Au 30 septembre 1966, le cours du sucre au marché de Londres établit de £15/10 par tonne forte C.A.F. Sous la pression des surprises inattendues, les cours ont continué de baisser jusqu'à £12/5, chiffre atteint le 9 janvier 1967. La guerre au Moyen-Orient a apporté un stimulant temporaire et le marché est remonté à £32, mais seulement pour une brève période. Des opérations militaires, les prix sont descendus rapidement à leur niveau d'avant la crise. La situation statistique montre que le marché a été stimulé par l'offre limitée dans le monde entier. Les discussions préliminaires ont eu lieu en octobre pour préparer des termes négociatifs approfondis, qui pourraient avoir lieu en avril prochain. La campagne accueillerait alors une entente internationale sur le sucre. Tout le monde reconnaît que les fluctuations trop prononcées des marchés sucriers nuisent, à la longue, à tous les intérêts. Il faut cependant admettre que tous les pays participants devront consenir des sacrifices. La principale difficulté consiste à définir les restrictions nécessaires et la part qu'en assumeront chacun des pays intéressés.



<b>Conseil d'administration</b>	HON. LOUIS P. BEAUBIEN, Montréal Administrateur, The Empire Life Insurance Company
<b>Direction</b>	G. E. ELLSWORTH, Toronto Président, The Toronto Iron Works, Limited
	J. O. WHITMEE, President
	HON. G. B. FOSTER, C.R., Président du Conseil
	James M. FERGUSON, San Francisco Président, Pacific Molasses Company
	HON. G. B. FOSTER, C.R., Président
	Premier associé, Foster, Watt, Leggat, Colby, Rioux et Malcolm
	SIR IAN D. LYLE, Londres, Anglétérre Président, Tate & Lyle, Limited
	M. D. OLIPHANT, Liverpool, Anglétérre Administrateur, Tate & Lyle, Limited
	J. PEMBROKE, Montréal Président du Conseil, The Royal Trust Company
	W. H. PUNCHARD, Montréal Vice-président, Vice-président
	M. W. DAVIDSON, Vice-président
	R. R. PROTÉOUS, Vice-président
	G. E. HRUDKA, Vice-président
	J. H. MAGEE, Vice-président
	F. N. WILSON, C.A., Vice-président et trésorier
	N. M. SHAW, Vice-président
	R. G. BROWNRIDGE, C.A., Trésorier adjoint
	J. E. WOOD, Secrétaire
<b>Assembées annuelles des actionnaires</b>	Canada and Dominion Sugar Company Limited H. S. TATE, Montréal Directeur général, Canada and Dominion Sugar Company Limited J. O. WHITMEE, Londres, Anglétérre Président, "Notre personnel, valeur d'importance primordiale . . ." George Simpson, surveillant du déplacement de l'empaqueuse à la raffinerie de Montréal.
	Assemblées annuelles jusqu'à présent, les assemblées annuelles avaient lieu chaude année en décembre. On a trouvé préférable qu'elles se tiennent dorénavant en janvier. Pour nous conformer à la Loi des Corporations du Canada en effet tant ce changement, l'avais de convolution ci-joint porte en décembre 1967, au bureau de la compagnie à Montréal, et l'autre 28 décembre 1967, dans le salon Viger du Château Champlain, à Montréal. Un qui aura lieu le 25 janvier 1968, à 11 h. 30 du matin (heure normale de l'Est), dans le salon Viger du Château Champlain, à Montréal. Un donc sur deux assemblées annuelles, l'une qui aura lieu le 28 décembre 1967, au bureau de la compagnie à Montréal, et l'autre 28 décembre 1968, au bureau de la compagnie à Montréal.





Rapport annuel  
pour l'exercice terminé  
le 30 septembre,  
1967